

## The Office of the Official Opposition Free State Provincial Legislature

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Date:	3 August 2020
То:	HE Mr Matamela Cyril Ramaphosa The President Republic of South Africa
From:	Hon Roy Jankielsohn MPL Leader of the Official Opposition Free State Legislature
Subject:	Contracts allocated to family members of the ANC Secretary-General and former Free State Premier

Dear Mr President,

It has been confirmed that two sons of the ANC Secretary-General, Ace Magashule, received contracts to supply Covid-19 related products to the Free State Provincial Government. Motheko Projects, whose director is Tshepiso Magashule, provided liquid soap and masks to the value of R2,290,000.00 while Marvel Deeds, whose director is Thato Magashule, provided hand sanitizers to the value of R427,221.00

In another incident, R300,000,000.00 in grass cutting tenders in the Free State allegedly included the following companies:

- ME Construction, owned by Ezekiel Magashule, a younger brother of the then Premier and current ANC Secretary-General;
- Botlokwa Holdings, owned by Thoko Malembe, a daughter of Ace Magashule;
- Juda in Zion Trading, owned by Katleho Mochela, the daughter of Joey Mochela, Mayor of Parys; and
- MDBS Trading, which is owned by Sibusiso and Duduza Ntombela, the sons of Premier Sisi Ntombela.

The daughter of Magashule, Thoko Alice Malembe, obtained property (with a filling station) worth R9,000,000.00 million through his alleged improper and unlawful influence with the Free State Development Corporation (FDC). There is video footage of a visit by Mr Magashule with employees of the FDC to the filling station before his daughters beneficiation. This filling station is now derelict and all former employees remain without employment.



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At the Vogelfontein Housing Development in Dihlabeng Municipality, Thoko Malembe was allegedly a thirty percent partner in Unital Holdings, which was responsible for the development to the value of R150,000,000.00 and which is currently incomplete. It is further alleged that Ace Magashule was directly involved in influencing the allocation of this lucrative contract.

The above examples indicate that the latest allocation of lucrative government contracts to family members of Ace Magashule is not a once off occurrence. Furthermore, as former Premier of the Free State he will still have a substantial influence over both current politicians and senior government officials in the province.

It must also be noted that the ANC continues to implement a policy of Democratic Centralism (Cadre Policy) that conflates the party and state regarding the employment of government officials through redeployment committees. As former Free State Provincial Secretary and current Secretary-General of the ANC, Ace Magashule is in a position to exert extensive influence over the deployment and continued employment of any senior officials and politicians in an ANC-run province such as the Free State.

The above examples are but the tip of the iceberg regarding the alleged involvement of Ace Magashule in tenders to various companies in the Free State for personal benefit. The most prominent being the controversial Vrede Dairy project in which the company involved, Estina, was linked to the notorious Gupta family. The links between the Magashule family and the Gupta family are well known. Such links include Magashule's sons Tshepiso and Thato who both benefited from the Gupta's largesse.

It is our opinion that the most recent Covid-19 related contracts, although not the only ones that require investigation, require investigation and action from the President who made a commitment to root out such malfeasance on national television.

Your action and response in this regard will be greatly appreciated.

Yours truly,

Dr Roy Jankielsohn Leader of the Official Opposition

Free State Provincial Legislature

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